



October 20, 2011

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: WC Docket No. 10-90; GN Docket No. 09-51; WC Docket
No. 07-135; WC Docket No. 05-337; CC Docket No. 01-92;
CC Docket No. 96-45; WC Docket No. 04-36

Dear Ms. Dortch:

On Wednesday, October 19, 2011, Walter McCormick and I, representing USTelecom, met with Commissioner Clyburn and her legal advisor Angela Kronenberg. We discussed how the Commission's broadband deployment goals depend on Universal Service Fund reform that presents a credible financial opportunity to build and operate broadband networks in the rural, high-cost areas of our country. We also discussed the particular challenges of building and operating broadband and legacy networks in these challenging locations. We pointed out that a careful and managed transition of intercarrier compensation revenues is an essential component of any credible plan. In particular, we discussed potential roles of state commissions in the administration and operation of a reformed federal fund that supports the provision of broadband service as well as how state commissions in states with state statutes that do not provide for jurisdiction over broadband services could participate. We also discussed the consumer benefits that are likely to arise from intercarrier compensations reform and trading the possibility of higher consumer flat-rated charges for the benefits of reduced per minute usage charges. We discussed how the Consensus Framework and ABC Plan filed in these dockets created a careful transition from intercarrier compensation revenues and a clear path to vibrant broadband buildout in rural areas. Alterations to the path forward outlined in those filings must be carefully calibrated to balance any increased costs or obligations with additional revenues.

Pursuant to Commission rules, please include a copy of this filing in each of the above-referenced dockets.

Sincerely,

Jonathan Banks

c: Angela Kronenberg